

**CLARK COUNTY COMMUNITY STAKEHOLDERS
HB 2060 REVENUE
JANUARY 27, 2003 MEETING SUMMARY**

- On January 27, 2003, members of the community were invited to participate in a stakeholders meeting to discuss the uses of the document recording fee revenue created by HB 2060. The money generated by this surcharge is dedicated to be used for funding for housing and related costs for people who are at or below 50% AMI. In Clark County, the estimated annual dedicated revenue from the document recording fees is \$725,000-\$760,000.
- Over 45 people attended the meeting, with Commissioner Craig Pridemore welcoming everyone. He noted that this group meeting time is very valuable, and that the county had no preconceived notions for how the money should be used.
- Attendees were provided with a broad overview of HB 2060. The overview included the bill's history, legislative intent, and eligible uses.
- The attendees were invited to present any and all ideas related to the use of the funds. (See below). Consulting staff will create draft options, based on the stakeholder ideas, to seed discussion and lead to recommendations at the second stakeholders meeting on 2/21/03.

ALL SUGGESTED USES (developed by the entire group and listed in the order they were presented)

1. Capitalize a Housing Trust Fund

A portion of the new revenue would be used to purchase a bond. The bond proceeds would be used to purchase land for the future development of affordable housing for low income people. The proposal has the benefits of securing land for future development at a time of low interest rates, increasing the production of housing to meet demand for people making 50% AMI or less, assisting the county and cities in their efforts to meet growth management density goals and objectives, assisting affordable housing developer efforts to secure appropriate sites within the urban growth boundary, and purchasing land as prices continue to increase.

2. Emergency Shelter Costs

Over this past year, private donations to the homeless shelters have fallen by over 50%. The Human Services Fund from the City and County has been reduced by \$25,000. This along with the increased demand for food and shelter has brought the needs of the agencies caring for the homeless to the forefront. Shelter providers are proposing for a portion of HB 2060 to be used for emergency shelter operating expenses.

3. Youth Shelter Costs

Replace the funding at the current youth shelters. The two youth shelters operating in the County (Oak Bridge and Oak Grove) have a total capacity of 16 beds. Two of the beds are used for overnight stays for homeless runaway kids and the remaining 14 are used for kids receiving support through DSHS. The funding for these two shelters is slated to be cut in the State Budget. NOTE: HB 2060 lists licensed overnight youth shelters as eligible.

4. Capital costs including acquisition, rehab, new construction of permanent or transitional housing

Add locally controlled housing dollars to leverage HOME, CDBG or State Housing Trust funds to create more housing for people with incomes at 50% AMI or less. HB 2060 funding could (in this scenario) be the first source of funds for projects applying for other, more restrictive funds.

5. Operating subsidy for projects that support people who are 0 – 30% AMI

Provide an operating and/or maintenance subsidy for transitional or permanent supportive housing for households at or below 30% AMI.

6. Incentives for inclusionary zoning **

The HB 2060 money could be used to provide a subsidy that will encourage developers to build affordable housing in new developments throughout the county. A voluntary inclusionary zoning program would be based on incentives for developers to build a small percentage (usually 10 - 15%) of affordable housing in their subdivision or multi-family housing projects. In exchange for the affordable units, developers would be given incentives that would make affordable housing profitable for them. Incentives could include density incentives, expedited review, and/or impact fee waivers. **The use of HB 2060 funding for this option will need additional clarification, see attached notes from the Housing Trust Fund staff.

7. Offset of impact fees and other regulatory costs **

Until 1999 the County waived impact fees for developers of low-income housing. It was proposed that some of the 2060 funding could be used to reinstate the funding for this option. **The use of HB 2060 funding for this option will need additional clarification, see attached notes from the Housing Trust Fund staff.

8. Rental subsidy/first and last rental/security deposit program for permanent and transitional housing** This option would be similar to the other programs in the County that provide this service (i.e. Section 8, Story Street, Shelter & Care). **The use of HB 2060 funding for this option will need additional clarification, see attached notes from the Housing Trust Fund staff.

9. Default prevention **

Clark County is experiencing a major increase in mortgage defaults; an option would be to use some of the funding to provide emergency default prevention. Assistance would be limited to households earning less than 50% AMI. **The use of HB2060 funding for this option will need additional clarification, see attached notes from the Housing Trust Fund staff.

SMALL GROUP DISCUSSION

The attendees divided into smaller groups and completed the following tasks based on the options listed above: 1) List recommended eligible uses; 2) Create a pie chart of uses; and 3) create a rank order list of uses

Group One

- 5% Admin costs
- 1/3 land trust
- 1/3 other capital construction/acquisition; inclusionary zoning and impact fees
- 1/3 shelters, youth shelters, operating costs, transitional housing, default help, and security deposit

Group Two

- 25% to shelter costs including youth
- 25% purchase bond for land trust
- 15% transitional housing
- 15% operating subsidy
- 20% for default prevention, 1st/last security deposit program, inclusionary zoning and impact fees

Group Three

- 30% bond for land trust
- 30% for construction/rehabilitation
- 40% to youth shelters, shelter costs, and operating subsidies

Group Four

- 1/3 bond for land trust
- 1/3 operating funds of emergency shelters, youth shelters (completely fund need first)
- 1/3 building new transitional housing capacity
- No funds to be used for additional administrative costs

Group Five (in rank order)

- 1/3 bond for land trust
- Shelter costs
- Youth shelters
- Transitional Housing
- Operating subsidy
- Inclusionary zoning
- Offset impact fees
- Security deposits
- Default prevention